



Tennessee Agricultural Enhancement Program

Dairy and Quality Milk Initiative

For Fiscal Year 2007 - 2008

Improving Milk Quality and Production Efficiency Through the Genetics and Dairy Equipment Cost Share Program

The Tennessee Dairy and Quality Milk Initiative is a program aimed at increasing dairy farm income in Tennessee by providing cost-share funds to farmers to aid in increasing milk quality and production efficiency. Funding for the program was provided within Governor Bredesen's budget and approved by the General Assembly.

In order to be eligible for cost-share funds under the Dairy Initiative Program, producers must register their livestock farms, or premises, with the Tennessee Department of Agriculture. Farmers can register their livestock premises at Farm Service Agency, UT Extension, Farm Bureau or Tennessee Farmers Co-op locations. Premises registration forms and instructions are also available from the Tennessee Department of Agriculture (TDA) online at www.tennessee.gov/agriculture/tpis or by calling (615) 837-5120. **Producers must be a resident of Tennessee and must own a minimum of 10 cows, one grant per household, premise identification, and BQA number. Also the Dairy must be permitted by the Tennessee Department of Agriculture.**

Producers must also be certified under the Beef Quality Assurance Program, a two-hour educational course on cattle management and care sponsored by the Tennessee Cattlemen's Association. More information on BQA classes is available by contacting TCA at (615) 896-2333 or info@tncattle.org, or by visiting their Web site at www.tncattle.org.

In order to qualify for more than 35% cost share, dairy producers must successfully complete three or more of the various modules of the Tennessee Quality Milk Certification Program to be offered by the University of Tennessee beginning October 2007. In order to obtain the various levels of certification, the producer must attend the specified module offered for certification (i.e. level 1,2,3, etc.) and pass the examination administered afterwards. Three modules are scheduled to be available before April 2008. The Agricultural Enhancement Program will fund \$40 of the \$50 tuition fee for each session. Payments for tuition will be paid directly to the University of Tennessee.

Applications and additional details about program requirements can be found online at www.picktnproducts.org or by calling TDA's Cattle Improvement Initiative Coordinator at (615) 837-5309. Send e-mail inquiries to Cattle.Improvement@state.tn.us.

Tennessee Department of Agriculture reserves the right to modify approval and payment processes in order to insure fair and timely management of programs.

Application Period:

Start accepting applications:September 15, 2007
 Deadline for receipt of applications:January 1, 2008
 Reimbursement deadline for Dairy:.....June 1, 2008

PRODUCER GUIDELINES:

Dairy and Quality Milk Initiative

I. General Information:

The program consists of two major components: a cattle genetic improvement program and a milk quality/handling equipment program. Both programs utilize cost share incentives to encourage producers to improve their herds and facilities, as well as, milk quality.

II. How to Apply For Cost Share:

Complete and mail the application to the Tennessee Department of Agriculture where it will be evaluated by staff and the applicant will be notified of approval or disapproval for cost share assistance. Only projects that are **approved in advance** by TDA will be eligible for cost share assistance.

An Authorization to Grantee and Project Record Form will be sent to the producer. When the project has been completed, complete and sign the form with required attachments and return it to TDA.

Following TDA review of the materials submitted and if no additional information or documentation is needed, the Department will request payment to the producer.

III. Cattle Genetic Improvement Program:

A. Cost shares and maximum reimbursements for genetic improvement program.

1. Eligible Genetic Activities
 - a. Conducting a herd evaluation (maximum \$175.00)
 - b. Purchase or lease of a bull
 - c. Purchase of semen and/or payment for technician fees for artificial insemination
2. A standard producer is eligible for up to \$1,025.00 per program year for

Milk Quality, Cattle Handling Equipment Feed Storage	Cost Share Percentage	
	Any Qualifying Producer Standard 35% of cost up to max	Producers who have completed 3 or more TQMI Modules or are Master Beef Certified 50% of cost up to max
Tier I	\$3,500.00 max	\$3,500.00 max
Tier II	\$3,500.00 max	\$15,000.00 max

Cattle Genetics	Cost Share Percentage	
	Standard 35% of cost up to max	Producers who have completed 3 or more TQMI Modules or are Master Beef Certified 50% of cost up to max
Lease/Purchase of Bull or Artificial Insemination	\$850.00 max	\$1,000.00 max

genetic work. This includes a herd evaluation (up to \$175.00) and any one or a combination of bull purchase, lease or artificial insemination (up to \$850.00 based on 35% cost share).

3. Tennessee Quality Milk Certified producer is eligible for up to \$1,175.00 per program year for genetic work. This includes a herd evaluation (up to \$175.00) and any one or a combination of bull purchase, lease or artificial insemination (up to \$1,000.00 based on 50% cost share). A producer must have completed 3 or more modules of the University of Tennessee's Milk Quality course to be eligible for the 50% cost share.

B. Requirements for Participation in Genetic Cost Share Program:

1. The producer must register their premises with the Tennessee Department of Agriculture.
2. The producer must be currently certified as completing the Beef Quality Assurance Program.
3. Approved cost share funds will be provided to producers on a reimbursement basis. Herd evaluation costs up to maximum will be paid directly to the evaluator.
4. Payment shall only be made for approved cost-share items and is subject to percentages and maximums established by the Tennessee Department of Agriculture. **Projects must be approved in advance.**
5. Producers who intend to take part in the program must supply either a Social Security (SSN) or Federal Employer Identification Number (EIN) number and Premise ID and Premise Account Numbers to receive payment.
6. Ownership Requirements for purchased or leased bulls:
 - a. Ownership of purchased bulls must be maintained for a minimum of two successive breeding seasons not in the same year.
 - b. Leased bulls can be leased for a minimum of 60 days up to one year.
 - c. Emergency early release of ownership is possible in case of physical or disposition problems, natural disasters or situations beyond the producer's control. Early release must be approved by the Tennessee Department of Agriculture following investigation of the circumstances necessitating the request.
7. Expected Progeny Differences (EPD) or Lifetime Net Merit Requirements: When selecting dairy breed bulls, sires must be in the top 20 percent for Lifetime Net Merit.
 - a. For Holstein bulls, producers have the option of using the Type and Production Index (TPI) as their qualifying criteria instead of Lifetime Net Merit. Holstein bulls must be out of a sire that meets the AI requirements to qualify. For Holstein semen, the bull must have a TPI rating of 1400 or greater to qualify.
 - b. Jersey bulls must be in the top 20 percent for Lifetime Net Merit. For Jersey semen, producers must use the Production Type Index (PTI) or Jersey Production Index (JPI) as their qualifying criteria. Jersey semen must be from the top 100 bulls in the PTI or JPI.
 - c. All other dairy breed bulls must be in the top 20 percent for Lifetime Net Merit.
8. All bulls purchased or leased through this program must pass a Breeding Soundness Evaluation prior to receiving cost-share funds. A Breeding

Soundness Evaluation Certificate from a licensed veterinarian must be included with the producer's request for reimbursement.

9. The producer will identify each bull purchased and/or leased with an electronic identification tag and provide the number to the Tennessee Department of Agriculture.
10. Artificial Insemination Technicians utilized by producers receiving grant funds for reimbursement must be affiliated with Artificial Breeding Companies. Producers that have been certified to do artificial insemination through an accredited program (for example ABS or Select Sires, etc) can do their own AI work. However, producer time and labor will not be compensated; cost of semen, synchronism supplies and other artificial insemination supplies are eligible for cost share reimbursement. The cost of accredited artificial insemination technicians (or veterinarian's fees for AI services) is eligible.
11. Embryo transfer costs are not eligible.
12. A producer can choose to have his/her herd evaluated on farm by an evaluator approved by the Tennessee Department of Agriculture. This evaluation will assist the producer in determining what type of bull can best improve their herd to maximize the performance of the cows and to produce a more marketable calf crop. The producer must follow the recommendations of the evaluator for the bull/semen selected to qualify for cost share assistance.
13. Producers may not combine projects with other producers. Producers will not receive more than one approval per program year.

IV. Cattle Handling and Milk Quality Equipment Program:

(UT Extension will supply advice and recommendations for facility and equipment needs.)

A. Cost shares and maximum reimbursements for milk quality, cattle handling equipment and animal feed storage program:

1. A standard producer is eligible for 35% cost share up to the maximum of \$3,500.00 per year for handling facilities and milk quality equipment included in Tier I and Tier II.
2. A Quality Milk Certified Producer who has completed 3 or modules is eligible for 50% cost share up to the maximum of \$3,500 for items included in Tier I and the maximum of \$15,000 per year for equipment included in Tier II.

B. Requirements for participation in cattle handling, milk quality equipment and animal feed storage cost share program for dairy producers:

1. The cattle handling and/or milk quality equipment is located on premises that are registered with the Tennessee Department of Agriculture.
2. The dairy producer is currently certified as completing the Beef Quality Assurance Program.
3. Producer time and labor are not eligible for cost share reimbursement; the cost of materials and hired or contracted labor for approved project is eligible for cost share reimbursement.
4. Producers may not combine projects with other producers. Producers will not receive more than one approval per program year.
5. The Dairy must be permitted by the Tennessee Department of Agriculture.

Equipment and Facilities Eligible Cost Share

Tier I

Handling Equipment:

1. Commercial Head Gate
2. Squeeze Chute
3. Palpation Cage
4. Curved or Offset Working Chute
5. Loading Chute
6. Crowding Tub and Gate
7. Weaning/Holding Pen¹

8. Hoof Trimming Table or Chute

9. Single Animal Scale
10. Headlock Stanchions
11. Catch Lanes

Dairy Specific Equipment:

1. Commercial Hot Water Heater²
2. Water Sterilization Equipment
3. Plate Exchanger for Cooling Equipment

4. Milk Vacuum Pump
5. Milker Pulsation Equipment
6. Vacuum System Regulators
7. Vacuum Gauges
8. Milk Pipelines
9. Milking Equipment Service Contracts³
10. Antibiotic Test Kits for On-Farm Use⁴ (Delvo P, SNAP, or Charm SL)

Miscellaneous:

1. Hay Ring/Cone Ring
2. Creep/Self Feeder
3. Feeding Wagons
4. Fans & Misters for Animal Heat Abatement
5. Semen Tank
6. Cube and Grain Feeder (automatic)

Tier II

1. Milk Tank
2. Mixer Wagon⁵

3. Commodity Shed⁶
4. Bulk Feed Bin⁷

5. Grinder/Mixer⁸
6. Generator for Dairy Barn

7. Silo – Ground or Upright⁹
8. Commodity Bagger/Hay Wrappers¹⁰

1 Pens must be built from lumber, gates or panels. Woven wire, barb wire, high tensile or electric fences are not eligible for cost share.

2 Hot water heaters must be capable of maintaining a water temperature of 165 degrees

3 Milking Equipment Service Contracts must be no longer than a 12 month period

4 Cow-side tests including incubator or heater block and test kits

5 Mixer Wagons: Eligible items include all equipment directly related to the mixing of grain, hay, and other supplements for feed.

Ineligible items include skid steers and attachment implements for existing equipment.

6 Commodity Sheds: Eligible structures include those that are used for storage of materials that can be fed directly to animals or are used in a mixing process to produce feed. It is requested that commodity sheds conform to guidelines set forth by University of TN guidelines. Structures that are used for storage of materials not related to feed will be ineligible.

7 Feed Bins: Eligible items include any bin that has a minimum capacity of 4 tons and its sole purpose is for on farm storage of animal feed. Ineligible items include those bins that will be used for storage of bulk commodities that are not directly used for feed.

8 Grinder/Mixers: Eligible items include all equipment directly related to the mixing of grain, hay, and other supplements for feed. Ineligible items include skid steers and attachment implements for existing equipment.

9 Silos (Ground or Upright): Eligible structures include: trench, bunker, and stave silos.

10 Commodity Baggers: Machinery used for the bagging or debagging of grain and other commodities in large quantities. Grain elevators or other equipment used to load or unload bins or silos is ineligible under this category.

TAEP DAIRY AND QUALITY MILK INITIATIVE COST SHARE APPLICATION 2007-2008

(Please Type or Print Legibly)

Date: _____					Office Use Only – Date Received									
APPLICANT INFORMATION														
Last Name:	First Name:	Middle Initial:	<input type="checkbox"/> Mr. <input type="checkbox"/> Miss <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.	SSN or Federal Tax ID:	State of Tennessee Employee? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Previously									
Producer Mailing Address (#1) Street: _____ City: _____ State: _____ Zip: _____			Home Phone #: _____ Cell Phone #: _____ E-mail address: _____											
Farm Address (#2) – Where equipment will be installed: Street: _____ City: _____ State: TN Zip: _____ County where farm is located: _____			Have you completed or are you enrolling in the UT Quality Milk Certification Program or the Master Beef Program? <input type="checkbox"/> Yes, 3 or more modules completed <input type="checkbox"/> No, but will be attending 3 or more modules <input type="checkbox"/> No <input type="checkbox"/> Yes, Master Beef Course completed <i>In order to be eligible for 50% cost share, producers must complete 3 or more modules before submitting reimbursement paperwork.</i>											
Premise ID #:		Premise Acct#:		BQA Certification #:										
1. Breed of Dairy? <input type="checkbox"/> Holstein <input type="checkbox"/> Jersey <input type="checkbox"/> Guernsey <input type="checkbox"/> Ayrshire <input type="checkbox"/> Brown Swiss <input type="checkbox"/> Milking Shorthorn			2. Number in current herd? <div style="display: flex; justify-content: space-between;"> <div> _____ Cows _____ Calves </div> <div> _____ Replacement Heifers _____ Bulls </div> </div>											
CATTLE GENETIC INFORMATION														
<p>3. Complete the table below by marking the Cattle Genetic Improvements for which you are applying for cost share assistance. You may check multiple blocks. The standard cost share (35%) maximum for genetic improvement is \$1,025 (\$175 for herd evaluation and \$850 for genetic work). Tennessee Quality Milk Certified and/or Master Beef Producer cost share (50%) maximum is \$1,175 (\$175 for herd evaluation and \$1,000 for genetic work).</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"><input type="checkbox"/> Herd Evaluation</td> <td>Optional; up to \$175</td> </tr> <tr> <td><input type="checkbox"/> Bull Purchase</td> <td>Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000</td> </tr> <tr> <td><input type="checkbox"/> Bull Lease</td> <td>Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000</td> </tr> <tr> <td><input type="checkbox"/> Artificial Insemination</td> <td>Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000</td> </tr> </table> <p style="text-align: center; margin-top: 10px;"><i>See # 4 for milk quality and handling equipment cost share opportunities.</i></p>							<input type="checkbox"/> Herd Evaluation	Optional; up to \$175	<input type="checkbox"/> Bull Purchase	Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000	<input type="checkbox"/> Bull Lease	Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000	<input type="checkbox"/> Artificial Insemination	Standard Producer = 35% cost share up to maximum of \$850 Tennessee Quality Milk and/or Master Beef Producer = 50% cost share up to maximum of \$1,000
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- CONTINUED -														

MILK QUALITY AND CATTLE HANDLING EQUIPMENT INFORMATION

4. Complete the table below by **CIRCLING** the Cattle Handling and/or Milk Quality Equipment for which you are applying for cost share assistance. You may CIRCLE multiple blocks. See #3 for genetic cost share opportunities.

- Standard Producer = 35% cost share up to maximum of \$3,500 per Tier
- Tennessee Quality Milk Certified (3 or more modules) and/or Master Beef Producer
 - TIER I = 50% cost share up to maximum of \$3,500
 - TIER II = 50% cost share up to maximum \$15,000

Circle the equipment applied for in TIER 1:

<u>Cattle Handling Equipment</u>	<u>Dairy Only Items</u>	<u>Miscellaneous</u>
Commercial Head Gate	Headlock Stanchions	Hay Ring/Cone Ring
Squeeze Chute	Catch Lanes	Creep/Self Feeder
Palpation Cage	Hot Water Heater	Feeding Wagons
Holding Chute	Water Sterilization Equipment	Fans & Misters for Animal Heat
Curved or Offset Working Chute	Plate Exchanger for Cooling Equipment	Abatement
Loading Chute	Milk Vacuum Pump	Cube and Grain Feeder (automatic)
Crowding Tub and Gate	Milker Pulsation Equipment	Semen Tank
Weaning/Holding Pen	Vacuum System Regulators	Milking Equipment Service Contracts
Hoof Trimming Table or Chute	Vacuum Gauges	Antibiotic Test Kits for On-Farm Use
Single Animal Scale	Milk Pipelines	

Circle the equipment applied for in TIER 2:

Milk Tank	Mixer Wagon	Commodity Shed
Bulk Feed Bin	Commodity Bagger/Hay Wrapper	Grinder/Mixer
Generator for Dairy Barn	Silo – Ground or Upright	

Purchases made prior to approval are not eligible for cost share reimbursement.

INCOMPLETE APPLICATIONS WILL BE DENIED.

I certify that all the information on this application is complete, true, and factual to the best of my knowledge and belief. I understand that providing any false, fraudulent, or misleading information may result in penalties and/or make this farm/tract ineligible to participate in present and/or future Tennessee Department of Agriculture programs.

SIGN HERE

X _____
Producer Signature

Date

Mail to:

**TN Dept. of Agriculture
 Attn: TAEP Cattle Improvement
 P.O. Box 40627
 Nashville, TN 37204**

**Applications must be received or
 postmarked on or between:**

**September 15, 2007 and
 January 1, 2007**

Contact:

**TAEP Cattle Improvement
 (615) 837-5309
Cattle.Improvement@state.tn.us**

Approval Notification:

**Allow 2 weeks for your application to
 be processed. You will be notified of
 your approval via the mail.**

OFFICE USE ONLY

Date of Approval:

Amount Approved:

Notes: